Policy in view of the underlined principles of the Scheme to allow duty free inputs which are required for manufacture of the product.

(e) to (g) There has been no gross misuse of the Scheme; However, Director General of Revenue Intelligence have investigated into the misuse of this Scheme and have reported that a few cases were investigated by them. A list of these cases has been given in answer to Rajya Sabha Unstarred Question No. 55 dated 22nd February, 94.

(h) and (i) No, Sir. Such Value Based Advance Licences can be operated after getting them endorsed for the import of items as per the Policy relating to current list of Sensitive Items.

Misuse of Import Licences Issued under Value Based Advanced Licensing Scheme

734. SHRIMATI KAMLA SINHA:
SHRI BAPU KALDATE:
SHRI N. GIRI PRASAD:
SHRI CHATURANAN MISHRA:

Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the misuse of import licences issued during 1993 under the Value-based Advanced Licensing Scheme on a large scale has come to the notice of Government;

(b) if so, the details thereof; and

(c) the manner in which Government propose to act in the matter?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) complaints about misuse of Value-based Advance Licencesg under Duty Exemption Scheme for import of Plastic raw materials have been received. These complaints contain allegations regarding import of large quantity of Plastic raw materials dis-proportionatc to the exports made and over invoicing of export product.

(c) The complaints are being looked into under the provisions of the Foreign Trade (Development and Regulation) Act, 1992. The following steps have been taken to minimise the misuse of Value Based Advance Licensing Scheme:

(i) The Government has placed 20 items under sensitive list vide Public Notice No. 163/(PN)/ 92—97 dated 14.9.93.

(ii) Anti-dumping duty has been imposed on import of plastic raw materials.

(iii) The operation of Value-Based Advance Licences issued prior to 14.9.93 in respect of items now in the Sensitive list against which neither imports nor exports have to place, has been suspended w.e.f. 25.1.94 until re-enhancement is got made restricting import as per the latest Sensitive list notificaiton by the Govt.

735. *[Transferred to 3rd March, 1994*\

Hotel chains allowed to invest abroad

736. SHRI RAJUBAI A. PARMAR: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that some enterprising hotel chains in India have been allowed to invest in the setting up of hotels abroad, and if so, what are the details thereof including the investment allowed to each of such hotel chains and profit/loss made by them; and

(b) wheter Government have given or considering to give incentives to the Indian Hotel Industry to expand abroad, particularly inview of the present globalisation policy of Government?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) As per available information, details of major Indian hotel chains that have been allowed to invest in hotels abroad are in the statement annexed. *[See* Appendix 170, Annexure No. 14]

Guidelines for Indian investment